2/12/85 ARNOLD ENGINEERING SPLIT UP:
LAMINATED STEEL PRODUCTS DIV
BECOMES ARNOLD TECHNOLOGIES
& SOLD TO RELIANCE STEEL.
ARNOLD ENG. PACIFIC DIVISION
BECOMES INTEGRATED
SPECIALTIES

∴ INTEGRATED SPECIALTIES IS
APPARENT SUCCESSOR &
SUB OF ALLEGHENY.
BOTH ENTERED
CH 11 BANKRUPT
IN 1988

Integrated Specialties President Resigns

February 28, 1985 | NILDA WEGLARZ | Times Staff Writer

The president of Integrated Specialties Co. in Fullerton abruptly resigned Wednesday, just 15 days after the firm's sister division was sold by Allegheny International Inc., its Pittsburgh-based parent.

J.C. McGovern reportedly quit without notice Wednesday, leaving his office in late afternoon. McGovern had become president of the newly formed semiconductor products company after Arnold Engineering Co. was split up in the Feb. 12 sale. Arnold's laminated steel products division, now called Arnold Technologies Inc., was purchased by Reliance Steel & Aluminum Co. of Los Angeles for more than $1 million in cash.

McGovern could not be reached for comment, but his resignation was confirmed by Robert Rosenast, the former president of Arnold Engineering who now is president of Arnold Technologies. Rosenast said McGovern's resignation was unexpected and added that it was his understanding that McGovern had been offered another position elsewhere.

Before the split-up, McGovern was president of the Pacific Division at Arnold Engineering. — AT SITE LOCATION 1551 E. ORANGETHOR

Rosenast said an acting president had been appointed at Integrated Specialties. Rosenast, who led Arnold Engineering's two divisions for 10 years, said he believes the company "will be fine" despite the sudden departure. One of Allegheny's reasons for selling the steel-laminating division, he said, was to provide capital for improvements at the semiconductor products division.

However, according to Greg Stetson, controller for Integrated Specialties, that division had not been profitable, whereas, Rosenast said, the Arnold division bought by Reliance had been making money for Allegheny, which did not report separate earnings for the divisions.

In a related matter, Rosenast said that none of Arnold's 244 employees will lose their jobs because of the company's split-up.

Rosenast said most of the Arnold employees will be retained by Arnold Technologies. All others, he said, will remain with Integrated Specialties, a producer of lead frames for the semiconductor industry.

Arnold Technologies will be moving to new offices elsewhere in Orange County within two months, Rosenast said. Integrated Specialties will remain in Fullerton as a subsidiary of Allegheny International.

Allegheny established Arnold Engineering 40 years ago as a two-product company.

Reliance Steel & Aluminum Co.

From Wikipedia, the free encyclopedia

Reliance Steel and Aluminum Co. (RSAC) (NYSE: RS (https://www.nyse.com/quote/XNYS:RS)), is a Fortune 500 company and the largest metals service center (MSC) corporation in North America.[2] Headquartered in Los Angeles, California, Reliance operates hundreds of metals service centers globally. It provides metals processing services and distributes a line of approximately 50,000 metal products, including aluminum, brass, alloy, copper, carbon steel, stainless steel, titanium, and specialty metalproducts to fabricators, manufacturers, and other end users.

In an industry dominated by small, family-owned businesses, Reliance grew from a single metals-processing center in Los Angeles into a major corporation by acquiring dozens of competitors. In an interview with an industry publication in 1992, Joe D. Crider, then president and chief operating officer, explained, "You can pay the bill [for higher market share] through price cutting, or through paying goodwill to buy a competitor. In cutting prices, you often trash the marketplace. So over time, the latter route is usually the less expensive, as long as you buy at a reasonable price."

Reliance Steel & Aluminum Co.

RELIANCE STEEL & ALUMINUM CO.

Type	Public
Traded as	NYSE: RS (https://www.nyse.com/quote/XNYS:RS) S&P 400 Component
Industry	Metals
Founded	1939
Founder	Thomas J. Neilan
Headquarters	Two California Plaza Los Angeles, California, U.S.
Key people	▪ David Hannah (Chairman) ▪ Gregg J. Mollins (CEO)
Products	Metal Products
Revenue	▲ US$ 10.45 Billion (FY 2014)[1]
Operating income	▲ US$ 0.617 Billion (FY 2014)[1]
Net income	▲ US$ 0.376 Billion (FY 2014)[1]
Number of employees	14,900 (March 2015 - https://www.google.com/finance?cid=657257)
Website	RSAC.com (http://www.rsac.com/)

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Specialty Metals Since the Late 1970s

After more than three decades of operating full-service metals service centers, Reliance opened its first "specialty store" in 1976, forming the Tube Service Company, in Santa Fe Springs, California. The subsidiary specialized in tubular products. A second Tube Service opened three years later in Milpitas, California. In 1977, Reliance also acquired Bralco Metals, in Pico Rivera, California, which specialized in brass, aluminum, and copper. To manage its aluminum, magnesium, and stainless steel products, Reliance created a nonferrous metals division, Reliance Metalcenter, in 1980.

Also in 1980, Reliance also acquired Foucar, Ray & Simon, a specialty tube distributor in Hayward, California, with a branch in Portland, Oregon. The Hayward center was eventually merged into the Reliance center in Santa Clara. The Portland operation foundered and then closed in 1984. Gimbel told Metal Service News the acquisition had been a mistake. "Foucar was probably the second oldest service center in California, with a good reputation. They'd done well over the years, but I guess they'd gotten rigor mortis. We thought that we could change all that. We tried and tried to change it, and it didn't work. So we had to admit defeat and close up the place."

The setback, however, did not slow the company's aggressive growth. In 1981, Reliance purchased the Cd'A Service Center in Salt Lake City, Utah, from Spokane-based Cd'A Steel Service Center. The company then acquired Circle Metals in Carson, California, in 1983, and Tricon Steel & Aluminum in Fremont, California, and Arnold Engineering in Fullerton, California, in 1984. Arnold Engineering was renamed Arnold Technologies, Inc. and relocated to Anaheim. In the mid-1980s, Reliance gobbled up assets of the Ducommum Metals in Phoenix and Los Angeles, the Lafayette Metal Service Corp. in Long Beach, California, and the assets of the Livermore, California, metals service center from Capitol Metals Company. The company also acquired the Valex Corporation in Ventura, California, which made stainless steel components for electronic and pharmaceutical applications, the Dallas/Fort Worth Russell Steel Division of the Van Pelt Corp., and the Morris Steel & Aluminum Company in Albuquerque, New Mexico. In 1988, Reliance also acquired the Los Angeles Sheet & Steel Division from Earle M. Jorgensen Company.

The acquisitions certainly fueled growth. By 1988, the company's 50th year, sales topped $350 million. Nevertheless, Reliance continued to expand. Over the next two years, it acquired the assets of Albuquerque, New Mexico-based Smith Pipe & Steel and the Los Angeles and Phoenix operations of Lusk Metals. Other acquisitions in the 1990s included Affiliated Metals, an aluminum and stainless steel specialty center in Salt Lake City, Utah, and the Wichita, Kansas, operations of National Steel Service Center Inc., which stocked aluminum plate, sheet, and coil for the aerospace industry. The National Steel acquisition marked Reliance Steel's first foray into the Midwest.

Going Public in 1994

In 1994, after 55 years as a closely held operation, Reliance issued its first public stock. At the time, the company had about 180 stockholders, most of them employees or relatives of founder Thomas J. Neilan. Reliance had previously considered, and rejected, going public several times. In 1984, Gimbel told Metal Service News, "We'd go and talk to the brokers, but, unfortunately, anything with the name steel in it didn't get them very excited." In its prospectus, Reliance also signaled its intention to continue growth through

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THE ARNOLD ENGINEERING COMPANY

SUBSIDIARY OF ALLEGHENY LUDLUM STEEL CORPORATION

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Chicago, Ill.: The Arnold Engineering Company, Area Code 312, ANdover 3-6300, Ext. 356
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Raleigh, N.C.: The Arnold Engineering Company, 204 N. Person St., Area Code 919, 828-3270
San Francisco, Calif.: The Arnold Engineering Company, 701 Welch Road, Palo Alto, Calif., Area Code 415, DAvenport 6-9302
Washington, D.C.: The Arnold Engineering Company, 1001 Fifteenth St., N.W., Area Code 202, 393-0074

Canada: Ajax, Ontario: Bayly Engineering Limited, First Street, (Toronto Exchange) Area Code 416, 925-2126

EXPORT

New York, N.Y.: Sylvan Ginsbury, Ltd., 8 West 40th Street, Area Code 212, LOngacre 4-7585

IN RE ALLEGHENY INTERN., INC.

Civ. A. No. 90-2106, Bankruptcy No. 88-448, Motion No. 89-4822M.

131 B.R. 24 (1991)

In re ALLEGHENY INTERNATIONAL, INC., Sunbeam Corporation, Sunbeam Holdings, Inc., Almet/Lawnlite, Inc., Chemetron Corporation, Integrated Specialties, Inc., Allegheny International (USA), Inc., Al-Industrial Products, Inc., Allegheny International Exercise Co., Woodshaft, Inc., Infoswitch, Inc., and Eliskim, Inc., Debtors.

United States District Court, W.D. Pennsylvania.

August 27, 1991.

Attorney(s) appearing for the Case

Robert L. Laufer, New York City, and Dennis J. O'Brien, Pittsburgh, Pa., for Wells Fargo.

Dennis Lewis, Pittsburgh, Pa., for Sunbeam Oster.

M. Bruce McCullough, Pittsburgh, Pa., for debtor.

Cynthia A. Baker, New York City, for Japonica Partners.

Douglas A. Campbell, Pittsburgh, Pa., for Unsecured Creditors of Sunbeam.

Larry Henin, New York City, for Equity Committee of AI.

Kathy Robb Singer, Pittsburgh, Pa., for trustee.

Michael G. Lederman, Pittsburgh, Pa., for unidentified.

Robert Sable, Pittsburgh, Pa., for unsecured creditors of AI.

MEMORANDUM OPINION

BLOCH, District Judge.

I. Introduction

Presently before this Court is the appeal of Wells Fargo Bank (Wells Fargo) from the November 20, 1990 order of the bankruptcy court. In that order, Allegheny International, Inc.'s (AI) motion for permission to pay commitment fees and expenses incurred during a due diligence investigation performed by Wells Fargo and its counsel, Paul, Weiss, Rifkind, Wharton and Garrison (Paul Weiss), was granted in part and denied in part. Payment of the commitment fee was denied in its entirety, and reimbursement of expenses was granted, but the amount approved by the Court was less than the amount requested. For the

[131 B.R. 26]

reasons set forth below, the bankruptcy court's November 20, 1990 order is affirmed in part and remanded in part.

II. Facts

AI and four of its subsidiaries filed petitions for reorganization under Chapter 11 of the Bankruptcy Code on February 20, 1988. Fourteen other AI subsidiaries filed for protection from creditors on May 3, 1988. By August of 1989, AI had devised and withdrawn four reorganization plans. The current appeal arises out of AI's fifth (failed) reorganization plan.

On July 21, 1989, AI entered into a commitment letter with Wells Fargo whereby Wells Fargo agreed to lend up to $400,000,000.00 to finance AI's reorganization plan. This agreement obligated AI to pay Wells Fargo a commitment fee accruing at the rate of ½% of the loan amount per annum during the period Wells Fargo performed a due diligence examination regarding the loan. The agreement also obligated AI to reimburse Wells Fargo for its cost and expenses including attorneys fees incurred during the due diligence investigation. [1]

On July 25, 1989, AI sought approval of the terms and conditions of the commitment letter. The bankruptcy court held a hearing on the motion on August 3, 1989. Several of AI's constituencies raised objections to the terms and conditions of the commitment letter, specifically, the open-ended aspect of the commitment fee, which would accrue at approximately $165,000 a month, and Wells Fargo's due diligence counsel fees. (Tr. at 47, 66-74 (8/3/89)). The bankruptcy court expressed concern with the unbounded nature of the commitment fee, stating, "I don't like open-ended fees on anybody's part. That is just a little bit troublesome because if, in fact, they're open-ended, then you have little reason to withdraw them." *Id.* at 149. Regarding the counsel fees to be incurred during the due diligence examination, the court stated that Wells Fargo was not being hired as a professional person and thus would not be governed by 11 U.S.C. § 328:

> *All of you know that [11 U.S.C. § 328(a)] has a second sentence or maybe its really a paragraph, but notwithstanding such terms it is the only provision I know of that allows a judge to correct his mistakes at the expense of the professional I should say. But that doesn't apply and would not apply to the banks. I assume they're not being hired under that kind of provision.*

Id. at 47-48. However, the bankruptcy court handwrote into its August 3, 1989 order approving the commitment letter that it reserved the right to examine the reasonableness of Wells Fargo's expenses related to its due diligence examination by imposing the reasonableness strictures of §§ 328(a) and 506(b) on Wells Fargo. *In re Allegheny International, Inc.*, No. 88-448 (Bankr.W.D.Pa. 8/3/89). As a result, the bankruptcy court granted AI's motion to pay commitment fees and expenses to Wells Fargo. The bankruptcy court's decision

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was affirmed by this Court. *In re Allegheny International, Inc.*, 117 B.R. 171 (W.D.Pa.1990).

The due diligence investigation proceeded for 110 days (7/21/89 to 11/8/89), despite the fact that the bankruptcy court approved an agreement to save money and avoid duplication in which AI purchased for $250,000 materials prepared by Donaldson Lufkin and Jenrette (DLJ) during its two unsuccessful attempts to merge with AI. On November 8, 1989, Wells Fargo withdrew its commitment to lend $400,000,000.00 to AI stating three reasons for the termination of the commitment letter. The Termination Letter provided the following:

> *As you know, we have made every effort to conduct a thorough due diligence investigation quickly in order to determine whether the due diligence condition set forth in the Wells Fargo letter could be satisfied. The results of our due diligence investigation, particularly in the environmental area, have been so troubling that we must conclude that such condition cannot be satisfied. In addition, we have learned that AI and Sunbeam cannot comply with the provisions of the Wells Fargo letter that require that the*

Noranco

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Dec 30th, 2013

Announcement: Noranco Acquires Aero Structure Supplier A.E. Company, Inc. (“Arnold Engineering”)

I am very pleased to announce the completed acquisition of Arnold Engineering, located in Corona California, from HKW Capital Partners. Arnold Engineering is a world class provider of precision structural components and assemblies to the commercial and military aerospace market. A long term supplier partner to Boeing, Triumph, Spirit, Lockheed Martin and Northrop Grumman, Arnold Engineering’s core product offering includes large complex machined structures and assemblies from Aluminum and Titanium alloys. The facility in Corona CA., spans 60,000 square feet and employs roughly 125 highly skilled operations and management staff.

This acquisition enhances Noranco’s market position within the Aero-Structures sector of the global aerospace market and further balances our already strong portfolio of Aero-Engines, Aero-Structure and Landing Gear components/assemblies. The investment also diversifies Noranco’s customer portfolio, opening additional direct access to North America’s largest commercial and military prime OEMs and Airframers. Noranco will utilize Arnold’s large, high speed gantry capabilities, and manufacturing engineering expertise, to further support our current portfolio of world class customers. As an integrated part of our organization, the division will be renamed Noranco, Corona Division.

We are extremely excited to welcome Arnold Engineering and its fantastic staff to the Noranco organization, and look forward to the future growth that all of our divisions promise as we go forward into this positive market environment.

David Camilleri

President and CEO, Noranco

Aerospace and Defense
Company Overview of Arnold Engineering, Inc.

January 21, 2017 11:57 AM ET

Snapshot **People**

Company Overview

As of December 30, 2013, Arnold Engineering, Inc. was acquired by Noranco, Inc. Arnold Engineering, Inc. manufactures and supplies aero structures to the commercial and military aerospace industry worldwide. It manufactures machine part components, sheet metal components, bench assemblies, large complex assembly structures, and ground support equipment. The company was founded in 1971 and is based in Corona, California.

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www.arnoldeng.com

Founded in **1971**

Key Executives For Arnold Engineering, Inc.

Arnold Engineering, Inc. does not have any Key Executives recorded.

Similar Private Companies By Industry

Company Name	Region
4M Research, Inc.	United States
A E Wolffe Limited	United States
A&G Machine, Inc.	United States
A-1 Machining Co. Inc.	United States
a.i. solutions, Inc.	United States

Recent Private Companies Transactions

Type Date	Target

No transactions available in the past 12 months.

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